

# D.C. Economic Indicators

November 2002 Volume 3, Number 2

Government of the District of Columbia

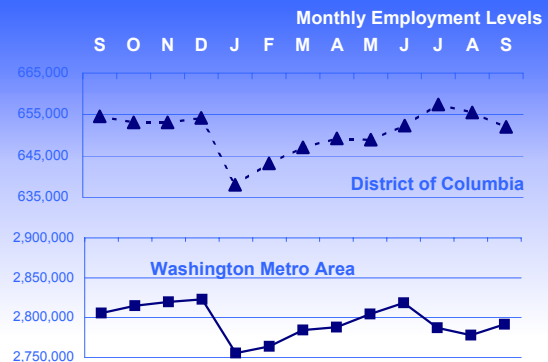
Dr. Natwar M. Gandhi, Chief Financial Officer

Dr. Julia Friedman, Deputy CFO for Research and Analysis



## Labor & Industry

- Jobs in D.C. for Sept. 2002 down 2,600 (-0.4%) from 1 year ago
- District resident employment for Sept. 2002 down 5,100 (-2.0%) from 1 year ago



### Labor Market ('000s): September 2002<sup>a</sup>

	D.C.		Metro area	
	Level	1 yr. ch.	Level	1 yr. ch.
Employed residents	253.3	-5.1	2,696.1	44.5
Labor force	269.4	-7.2	2,795.4	46.5
Total wage and salary employment	652.0	-2.6	2,791.8	-14.0
Federal government	181.8	0.1	332.8	4.4
Local government	39.0	-0.9	277.7	5.7
Services	307.6	0.8	1,143.1	-3.6
Trade	51.4	-1.1	495.2	-2.3
Other private	72.2	-1.5	543.0	-18.2
Unemployed	16.1	-2.1	99.3	1.9
New unempl. claims (state program)	1.6	-0.5		

Sources: U.S. Bureau of Labor Statistics (BLS) & D.C. Dept. of Employment Services (DOES);

<sup>a</sup> not seasonally adjusted

### Employment by Industry ('000s): September 2002

	Level	1 yr. change	
		Amt.	%
Manufacturing	11.0	-0.3	-2.6
Construction	10.3	-0.9	-8.0
Transportation	5.1	0.1	2.0
Comm. & utilities	12.2	-0.6	-4.7
Wholesale trade	5.5	-0.2	-3.5
Restaurants	28.8	-0.2	-0.7
Other retail	17.2	-0.6	-3.4
Fin., insur. & real estate	33.2	0.0	0.0
Hotels	13.2	-1.4	-9.6
Personal services	3.3	0.0	0.0
Business services	55.2	0.2	0.4
Health	39.3	0.7	1.8
Legal services	34.5	0.3	0.9
Education	33.6	0.0	0.0
Social services	21.1	0.4	1.9
Member organizations	38.7	0.0	0.0
Mgmt. & engineering	49.2	1.0	2.1
Other services	19.2	-0.7	-3.5
Total	430.8	-2.2	-0.5

<sup>b</sup> Source: Smith Travel Research <sup>c</sup> Source: Metropolitan Washington Airports Authority & Maryland

Aviation Administration Authority <sup>d</sup> weighted average

Source: DOES, preliminary; Detail may not add due to rounding.

### D.C. Hotel Industry<sup>b</sup>

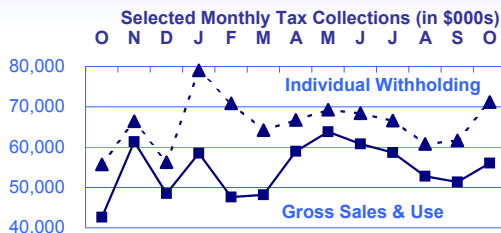
Sept. 2002	Amt.	1 yr. ch.
Occupancy Rate	69.3%	23.4
Avg. Daily Room Rate	\$164.20	\$17.11
# Available Rooms	25,916	226

### Airport Passengers<sup>c</sup>

Sept. 2002	Amt. ('000)	1 yr. % ch.
Reagan	1,022.6	147.3
Dulles	1,372.3	24.6
BWI	1,425.0	19.0
Total	3,819.9	40.8 <sup>d</sup>

## Revenue

- Oct. 2002 monthly sales & use tax collections up 31.5% from same month 1 year ago
- Oct. 2002 monthly total tax collections up 14.3% from same month 1 year ago



<sup>a</sup> Adjusted to exclude large one-time events and for changes in processing flows between FYs that distort current underlying economic trends. This does not, therefore, report actual year-over-year revenue growth for the budget.

<sup>b</sup> Includes sales taxes allocated to the Convention Ctr.

<sup>\*\*\*</sup> Not meaningful due to payment timing or processing factors.

Note: FY 2001 and 2002 reflect reductions in effective tax rates due to the Tax Parity and the Earned Income Tax Credit legislation.

### Adjusted General Fund Revenue Collections<sup>a</sup>

	year-to-date % change	
	FY 2003	FY 2002
	(Oct. 2002 only)	(Oct. 2001 only)
Property Taxes	***	***
General Sales <sup>b</sup>	31.5	-23.7
Individual Income	22.6	-7.0
Business Income	***	***
Utilities	20.6	-20.4
Deed Transfer	11.9	47.4
All Other Taxes	-33.5	79.8
Total Tax Collections	14.3	-4.6

#### Addenda:

Indiv. Inc. tax withholding for D.C. Residents	27.9	-5.7
Sales tax on hotels and restaurants allocated to Convention Center	50.7	-30.6

Source: D.C. Office of Tax and Revenue and Office of Research and Analysis

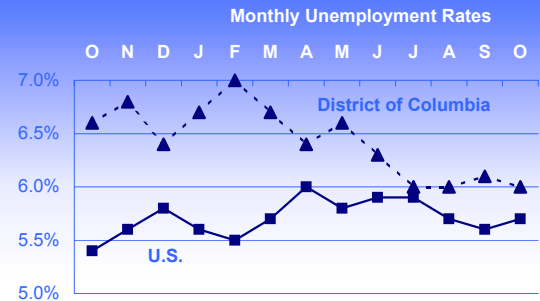
All data subject to revision.

† Indicates data revised by stated source since previous D.C. Economic Indicators.

See past editions at <http://cfo.dc.gov>

# People & Economy

- ➡ District unemployment rate, 6.0%, down from 6.1% last month, down from 6.6% 1 year ago
- ➡ Home mortgage interest rates, 6.1%, same as last month, down from 6.6% 1 year ago

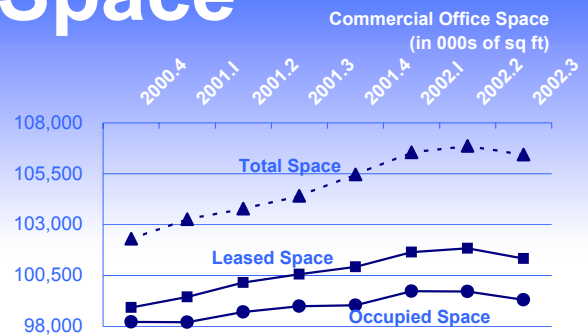


U.S. GDP			CPI			D.C. Population		
Source: BEA	% change for yr. ending		Source: BLS	% change for yr. ending		Source: Census	Level	1 yr. ch.
	3 <sup>rd</sup> Q 2002	2 <sup>nd</sup> Q 2002		Sept. 2002	July 2002	Estimate for July 1, 2001		
Nominal	4.0 <sup>†</sup>	3.2	U.S.	1.5	1.5	Total	571,822	+756
Real	3.2 <sup>†</sup>	2.2	D.C./Balt. metro area	2.1	2.3	Under 65	503,634	+2,167
<b>Personal Income<sup>a</sup></b>			<b>Unemployment Rate<sup>c</sup></b>			Over 65	68,188	-1,411
Source: BEA	% change for yr. ending		Source: BLS	Oct. 2002	Sept. 2002	Components of Change from July 1, 2000		
Total Personal Income	2 <sup>nd</sup> Q 2002	1st Q 2002	U.S.	5.7	5.6	Natural Births	+8,193	Total
U.S.	2.7	1.6	D.C.	6.0	6.1 <sup>†</sup>	Deaths	-6,155	+2,038
D.C.	2.5	2.2	<b>Interest Rates</b>			Net Migr.	Net Int'l	+3,275
Wage & Salary Portion of Personal Income			National Average			Net Dom.	-4,444	-1,169
U.S.	0.8	-0.1	Source: Federal Reserve	Oct. 2002	Sept. 2002	Net Change <sup>d</sup>		+756
Earned in D.C.	0.9	0.4	1-yr. Treasury	1.6	1.7			
Earned by D.C. res'd <sup>b</sup>	1.9	1.1	Conv. Home Mortgage	6.1	6.1			

<sup>a</sup> Nominal <sup>b</sup> estimated <sup>c</sup> seasonally adjusted <sup>d</sup> Includes federal resident employee movement (military/civilian) and the statistical residual

# Housing & Office Space

- ➡ Single family homes sales for 3<sup>rd</sup> Q 2002 increased 2.8% from one year ago
- ➡ Leased office space declined 0.5% in 3<sup>rd</sup> Q 2002 from 2<sup>nd</sup> Q 2002



Housing Sales			D.C. Housing Permits Issued			D.C. Commercial Office Space		
Source: MRIS <sup>a</sup>	4 Qs ending	1 yr. % ch.	Source: U.S. Census Bureau	4 Qs ending	1 yr. ch.	Source: Delta Associates		
Completed contracts	3 <sup>rd</sup> Q 2002			3 <sup>rd</sup> Q 2002		Vacancy Rate (%)	3 <sup>rd</sup> Q 2002	1 qtr. ch.
Single family	5,488	2.8	Total housing units	1,510	614	Excl. sublet space	4.8	0.1
Condo/Co-op	3,066	14.9	Single family	280	156	Incl. sublet space	6.7	0.0
Prices (\$000)	3 <sup>rd</sup> Q 2002	1 yr. % ch.	Multifamily (units)	1,230	458			
Single family			<b>Class A Market Rate Apt. Rentals<sup>d</sup></b>			Inventory Status <sup>e</sup>	3 <sup>rd</sup> Q 2002	1 qtr. ch.
Median <sup>b</sup>	\$273.9	25.9	Source: Delta Associates	3 <sup>rd</sup> Q 2002	1 yr. ch.	Total Inventory	106.4	-0.5
Average <sup>c</sup>	\$388.5	12.4	Apartment units currently			Leased space <sup>f</sup>	101.3	-0.5
Condo/Co-op			under construction	3,575	1,682	Occupied space <sup>g</sup>	99.3	-0.4
Median <sup>b</sup>	\$220.0	22.9	Add'l planned units likely			Under construction		
Average <sup>c</sup>	\$250.0	13.2	within next 36 months	1,484	-426	or renovation	6.5	1.3

Metropolitan Regional Information System as reported by the Greater Capital Area Association of Realtors <sup>b</sup> Median for Sept. <sup>c</sup> 3rd quarter average

<sup>d</sup> Investment grade units, as defined by Delta <sup>e</sup> In million square feet <sup>f</sup> Calculated from vac. rate excl. sublet <sup>g</sup> Calculated from vac. rate incl. sublet